

**AGENDA ITEM 8
RESPONSE TO FORMULA GRANT CONSULTATION
UPDATED APPENDIX 1**

FORMULA GRANT DISTRIBUTION CONSULTATION RESPONSE

***UPDATED RESPONSES TO Q18 AND Q19 AS A RESULT OF A NEW
OPTION CONCF45 PUBLISHED BY SETTLEMENT WORKING GROUP AT
THE END OF SEPT 2010 AND DISCUSSIONS WITH OTHER
OXFORDSHIRE COUNCILS***

CHAPTER 12: TRANSFERS AND ADJUSTMENTS

Q18 Which of the four options for removing concessionary travel from lower-tier authorities do you prefer?

- | | |
|--------|-------------------------------------|
| CONCF1 | <input type="checkbox"/> |
| CONCF2 | <input type="checkbox"/> |
| CONCF3 | <input checked="" type="checkbox"/> |
| CONCF4 | <input type="checkbox"/> |

Any further comments

This Council cannot support any of the options detailed above.

The transfer of responsibility from one tier of local government to another should be cost neutral.

The only funding that should be taken away from District Councils is either:

a). The cost of currently running the service (so that the net impact to District Council is zero

or,

b) Identification of the funding previously received for running the service and withdrawal of such funding

All of the options above reduce the formula grant base position by the amount of net revenue expenditure in 2008-09 (and this is perfectly reasonable - Point a) above), however, it then illogically and indefensibly takes away a further significant amount in formula grant.

This approach is ridiculous and not credible. It merely highlights the inadequacy of the rigid, opaque and inflexible four block funding model and clearly demonstrates that it is not fit for purpose for what should be a simple re-allocation of funds from District and Borough Councils to County Councils.

On the basis that 1 option needs to be selected CONCF 3 results in the lowest budget pressure to the Council.

Q19 Which of the six options for rolling in concessionary travel to upper-tier authorities do you prefer?

CONCF5

CONCF6

CONCF7

CONCF8

CONCF9

CONCF10

Any further comments

This Council cannot support any of the options detailed above.

All of the comments detailed in Q18 apply equally to this question.

In consultation with other Oxfordshire Authorities and as per Q18 we find it difficult to support any of these options.

However, the recently issued Option CONCF45 does meet one of the requests above: to take previous expenditure on the scheme from formula grant and therefore of the options set out is the preference.

We would prefer the funding to be redistributed using an unringfenced specific grant, avoiding problems with minimum increases and damping grant.